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SUPREME COURT OF THE UNITED STATES
OCTOBER TERM, 1937

No. [REDACTED]

3

THE SCHRIBER-SCHROTH COMPANY,

Petitioner,

vs.

THE CLEVELAND TRUST COMPANY, CHRYSLER CORPORATION,

Respondents.

No. [REDACTED]

4

THE ABERDEEN MOTOR SUPPLY COMPANY,

Petitioner,

vs.

THE CLEVELAND TRUST COMPANY, CHRYSLER CORPORATION,

Respondents.

No. [REDACTED]

5

THE F. E. ROWE SALES COMPANY,

Petitioner,

vs.

THE CLEVELAND TRUST COMPANY, CHRYSLER CORPORATION,

Respondents.

PETITION FOR WRIT OF CERTIORARI TO THE
UNITED STATES CIRCUIT COURT OF APPEALS
FOR THE SIXTH CIRCUIT.

THOMAS G. HAIGHT,
GEORGE L. WILKINSON,
JOHN H. BRUNINGA,
JOHN H. SUTHERLAND,

Attorneys for Petitioners.

January 7, 1938.



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**PETITION FOR WRIT OF CERTIORARI TO THE
UNITED STATES CIRCUIT COURT OF APPEALS
FOR THE SIXTH CIRCUIT.**

*To the Honorable the Chief Justice of the United States, and
the Associate Justices of the Supreme Court of the United
States:*

Your petitioners, The Schriber-Schroth Company, The
Aberdeen Motor Supply Company, and The F. E. Rowe

Sales Company, respectfully pray for writs of certiorari to the Circuit Court of Appeals for the Sixth Circuit to review the judgments of that court entered on October 8, 1937.

Summary and Short Statement.

Petitioners were defendants in the District Court, where they prevailed. The Circuit Court of Appeals for the Sixth Circuit reversed the District Court, in part.

Respondent, The Cleveland Trust Company,* is a banking corporation holding title (under a Trust Agreement, R. p. 1345) to a pool of eighty odd patents (R. p. 2241). The patents included in the pool were assigned to Respondent by the Packard Motor Company (R. p. 1321), Aluminum Company of America (R. p. 1322), and others. All of the patents in the pool relate to pistons for internal combustion engines, of the type employed in automobiles.

Licenses under the pool of patents are held solely by The Aluminum Company of America (R. p. 1382), Bohn Aluminum & Brass Corporation (R. p. 1415), and Aluminum Industries, Inc. All have agreed (R. p. 182) to pool all patents relating to pistons per se, now owned or hereafter acquired by them. All own shares of beneficial interest in the pool (R. p. 271); The Aluminum Company of America and the Bohn Company in their own names, and the Aluminum Industries through its officer and principal, H. J. Hater. All pay royalties to the pool on all aluminum pistons made by them and the proceeds are thereafter paid back to the beneficiaries.

Respondent brought three separate suits against the respective Petitioners (three Cleveland dealers in pistons made by Sterling Products Corporation of St. Louis, Missouri), alleging infringement of five different patents. The three cases all involve the same issues (including the same

*Herein referred to as "Respondent", Chrysler Corporation having been but a nominal and unwilling party plaintiff below.

accused device) and for convenience were consolidated below, likewise here. Respondent caused these cases to be referred to a Special Master for trial upon the merits. The Master heard the testimony of witnesses, observed tests and considered the evidence which was introduced by the parties. He found (R. p. 1106-9) all five patents invalid, and further found that the patents, if valid, were not infringed by any of the several accused devices. Respondent filed many exceptions to the report of the Special Master, but the District Court (R. p. 1229) overruled all of the exceptions and entered a decree (R. p. 1230) adopting the Master's Findings of Fact and Conclusions of Law as its own.

Respondent appealed to the Court of Appeals for the Sixth Circuit, with the result that two of the patents [Gulick No. 1,815,733 (R. p. 1293) and Maynard No. 1,655,968 (R. p. 1299)] were held to be valid (R. p. 2395), and to have been infringed by one accused device (Exhibit 1). The Court of Appeals apparently regarded the patents as pertaining particularly to pistons made of *aluminum*, although neither the Gulick nor the Maynard patent makes any reference whatever to aluminum. The Court of Appeals also regarded the patents as pertaining to pistons of the "flexible web" type, although there was no reference to this essential feature in the application for either of them, *as filed*.

The application for Gulick patent was filed in November, 1917, but the patent did not issue until 1931. *As filed* in 1917, it described the piston as "extremely rigid." (R. p. 1839.) Between 1917 and 1922 it became evident* that pistons of the "flexible web" type would become popular. In 1922 there

*This was largely attributable to the efforts of one Long, who, as found by the Master (R. p. 1103) had produced such a piston as early as March, 1916, had it on the market from 1917 to 1926 and had it adopted by the Franklin Automobile Company in 1920. The Long piston was described by an engineer of Packard Motor Company in a publication in January, 1920, and was being advertised to the trade in 1921. In 1926, after Respondent had sued him, Long discontinued his piston business.

were pending in the Patent Office several applications disclosing the "flexible web" type of piston. An interference was declared between a Hartog application and a Pomeroy application, the latter owned by Aluminum Company of America. This terminated adversely to Aluminum Company of America on August 10, 1922 (R. p. 2279). Immediately thereafter steps were taken by Packard Motor Company and Respondent, probably with the aid and assistance of Aluminum Company of America, to monopolize the aluminum piston field. On September 11, 1922, Packard Motor Company assigned the Gulick application to the pool (R. p. 1321), and on the next day the Gulick application was amended by changing the description from "extremely rigid" to "longitudinally rigid" and, for the first time, adding a suggestion that—

"the web structure has sufficient *lateral flexibility* to permit the split to close more or less under the action of the expanding forces incident to the heating of the piston" (R. p. 1867).

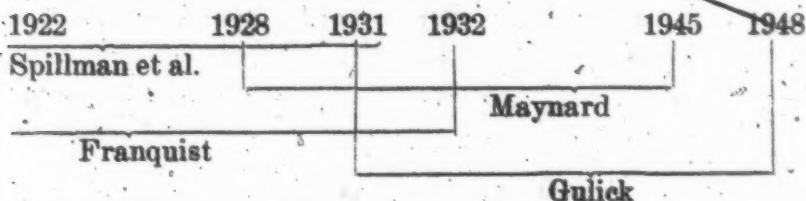
In that amendment, the claim which had been involved in the Hartog-Pomeroy interference, identified as such, was inserted in the Gulick application (R. p. 1872), with a statement that

"This interference has recently been brought to applicant's attention" (R. p. 1875).

Thereupon interferences were declared in the Patent Office between the Gulick application and the applications of Hartog, Long and others. Hartog and Long immediately questioned the right of Gulick to make the radical amendment. On April 4, 1924, a tribunal of the Patent Office (R. pp. 1548-50) sustained* Gulick's right to make the amendment, and immediately thereafter the pool matured into its full potency.

*Subsequently affirmed by the Court of Appeals, D. C., 17 F. (2d) 686, and followed by the Court of Customs and Patent Appeals, 47 F. (2d) 365, 366, 367.

Pistons of the type shown in the Maynard patent appeared about 1922 (R. p. 69). In 1924 the important piston manufacturers in this country pooled their interests with the obvious intention to extend the monopoly on that particular piston. This was done by bringing the then diversely owned Spillman & Mooers patent, No. 1,092,870, and Franquist patent No. 1,153,902, together with the then pending Gulick application, into the pool. Subsequently Respondent acquired a one-half interest in the Maynard patent, No. 1,655,968. The decision of the Circuit Court of Appeals in this case effectually extended that monopoly to 1948. It was done as shown in the following diagram:



Before they expired, Respondent represented that the pioneer Spillman & Mooers and Franquist patents were responsible for the success of the aluminum piston (R. p. 1120-1123). Licenses were issued (R. p. 1381, 1408, 1414), royalties collected (R. p. 102), suits brought (R. p. 101, 109), judgments recovered (R. p. 1341), relying upon those patents as dominating flexible aluminum pistons, and they were generally acquiesced in. But upon the trial of these cases, *after those patents had expired*, they were renounced by Respondent and *denounced* (R. pp. 99-100, 107, 109, 177, 247) by Respondent's expert as inflexible and unsuited for aluminum construction.

The Decisions of the Master and the District Court.

The Master held the Gulick patent invalid *in toto* because of the attempt to broaden the original application as against

intervening rights (Fact finding 15, R. p. 1107), relying upon this Court's decision in *Powers-Kennedy Corporation v. Concrete M. & C. Co.*, 282 U. S. 175 (R. p. 1156). The Master and the District Court took due notice (R. pp. 1150, 1229) of the fact that the Patent Office tribunals, as well as the Court of Appeals for the District of Columbia and the Court of Customs and Patent Appeals, had held that Gulick was within his rights in making the beforementioned radical change in his application. The Master explained his refusal to follow those decisions on the ground that this Court's subsequent decision in *Permutit v. Graver*, 284 U. S. 52, had removed the legal basis for them; furthermore, the factual basis upon which those previous decisions had been predicated was, in this case, admitted* by Respondent's expert witness to have been erroneous. The Master held in effect that this overcame the presumption of validity to which the Gulick patent was normally entitled. The District Court was urged, but declined, to overturn the Master's Report upon the basis of this Court's, then recent, decision in *Radio Corporation of America v. Radio Laboratories*, 293 U. S. 1.

The Decision of the Court of Appeals:

The Circuit Court of Appeals followed the decisions of the Patent Office Tribunals and the administrative courts, without regard to the two very cogent reasons assigned by the Master for his refusal so to do. The Circuit Court of Appeals was erroneously led to follow those decisions by what it understood to be the admonition of this Court in *Radio Corporation of America v. Radio Laboratories*, *supra*, where this Court said that a patent which issued pursuant to pro-

*That inherent flexibility could not be relied on (R. p. 229). That, "extremely rigid" was incompatible with flexibility (R. pp. 149-150). That webs can be made non-flexing (R. p. 154). That it was necessary to deliberately design the webs to secure flexibility (R. p. 156, 229).

tracted contest in the Patent Office was endowed with a presumption of validity "not to be overthrown except by clear and cogent evidence" (293 U. S. 2). The Circuit Court of Appeals did not, as the Master and the District Court had done, regard the abolition (by *Permutit v. Graver*, 284 U. S. 52) of the legal basis for the administrative decisions, or the admission (abovementioned) in this record, of the incorrectness of the factual basis thereof as sufficient to overcome the strong presumption of validity.

It is clear from a reading of the decision of the Court of Appeals that the Court was moved to hold the Gulick and Maynard patents valid because of assumed "commercial success." The only evidence adduced to prove this was evidence of the payment of royalties under the *eighty* patents in the pool. That was not contradicted, but by cross-examination of Respondent's witnesses it was shown that the success of the aluminum piston was ascribable to other things.* From that evidence the Circuit Court of Appeals inferred (R. p. 2387) that the Gulick and Maynard patents had made the aluminum piston a success.**

*In other litigation Respondent's expert had testified that the inventions of other patents made the aluminum piston a success (R. p. 91). Respondent had represented the now expired Spillman *et al.* and Franquist patents as being responsible for the commercial success of aluminum pistons in other litigation, had obtained judgments restraining infringements and had collected royalties upon them (R. p. 1122, 1184). That from seven to ten million aluminum pistons had been made before the advent of the Gulick and Maynard patents (R. p. 92).

**The Master stated in his Report (R. pp. 1182-3):

"The situation here is peculiar, for the structures of none of the pistons (patents) in suit have ever gone into commercial use. That of Schmiedeknecht, Mooers, Gulick and Jardine not at all, while as to the Maynard design, the proof is that it was not used successfully until it had been provided with the Keystone relief. Particularly as to the Maynard piston it was discarded by Chrysler, an unwilling party plaintiff which has the right to its use as a half-owner of the patent."

"The plan of plaintiff and its licensees has been to control the market in the manufacture of aluminum pistons, and former competitors Bohn Aluminum & Brass and Kant-Skore became sub and collateral licensees."

The Court of Appeals in describing (R. p. 2386) the combination contemplated by the Gulick patent, which it held patentable, included "webs laterally flexible"; and likewise, in describing (R. p. 2392) the combination of the Maynard patent, which it held patentable, the Court of Appeals included "flexible webs." *The Maynard patent does not state whether the webs are flexible or rigid.* The Gulick patent, as issued, says that the webs are flexible, but the application therefor, as *filed*, described the structure as "extremely rigid."

The Circuit Court of Appeals, therefore, as to each patent, found the patentable combination to include an *element not described* in the patent applications, as *filed*.

Reasons Relied Upon For the Allowance of the Writ.

Petitioners believe that writ of certiorari should be granted in these cases for the following reasons:

I.

That the Circuit Court of Appeals for the Sixth Circuit misinterpreted or unduly limited this Court's decision in *Permutit v. Graver*, 284 U. S. 52, by refusing to hold a patent invalid where a feature found to be an essential element of the patented combination was not described in the application for patent as *filed*.

The combination found patentable by the Court of Appeals included "flexible webs." The Gulick application was amended five years after it was filed, to describe the essential element (flexible webs), and issued as thus amended. The Maynard patent does not now and never did contain a description of the flexible web. The patent drawing is the only basis for the decision of the Circuit Court of Appeals that the web of either was flexible, but Respondents' own witness said inherent flexibility was not enough. The decision as to the Maynard patent is, therefore, directly in conflict with

this Court's decision in *Permutit v. Graver, supra*. The decision as to the Gulick patent raises the novel question whether, under the decisions in *Permutit v. Graver, supra*, and *Powers-Kennedy Corporation v. Concrete M. & C. Co.*, 282 U. S. 175, 185, it is permissible to so amend a patent application as to antithetically change the described characteristics of an essential element on the basis of alleged inherence* in the structure shown by a drawing, especially when the amendment is made more than two years after the original application was filed, during which time adverse rights had arisen. This question is important and should, it is submitted, be settled by this Court.

The Circuit Court for the Sixth Circuit has showed its disposition to limit the doctrine of this Court's decision in *Permutit v. Graver, supra*, not only by refusing to apply it in this case, but by expressly limiting it, as in *Chicago Forging & Manufacturing Company v. Bade Cummins Manufacturing Company*, 63 F. (2d) 928, l. c. 929-930 and *Wadsworth v. Westinghouse*, 71 F. (2d) 850, l. c. 852. On the other hand, the courts in the other circuits have applied *Permutit v. Graver* to a fuller extent. [*Standard Oil Company v. Globe Oil and Refining Company*, 82 F. (2d) 488, C. C. A. 7; *Kessler v. Buick Motor Company*, 64 F. (2d) 599, C. C. A. 5; *Zenithery Co. v. Art Marble Co.*, 56 F. (2d) 39, C. C. A. 5; *Schindler & Co. v. Saladino & Sons, Inc.*, 81 F. (2d) 649, C. C. R. 1; *Anchor Cap & Closure Corp. v. Linhardt*, 56 F. (2d) 542, C. C. A. 8; *Helfrich v. Solb*, 59 F. (2d) 525, C. C. A. 7.]

II.

The Court of Appeals misinterpreted or unduly limited the doctrine of *Adamson v. Gilliland*, 242 U. S. 350.

The Circuit Court of Appeals held (R. p. 2387), that the aluminum piston problem was not solved until the alleged

*Contrary to the original description.

inventions of the Gulick and Maynard patents, *only* upon evidence as to the payment of royalties under *eighty pooled patents*, although it was developed on the cross-examination of respondents' witness that the success of the aluminum piston was ascribable to *other things* than the alleged Gulick and Maynard inventions. In so doing, it overruled the Master who had heard and seen the witnesses. Although there was no conflict of testimony on this point, there was evidence consistent with the Master's finding. In *Adamson v. Gilliland*, 242 U. S. 350, at 353, this Court said:

"so far as the finding of the master or judge who saw the witnesses 'depends upon conflicting testimony or, upon the credibility of witnesses, or so far as there is any testimony consistent with the finding, it must be treated as unassailable'."

An important question is thus presented whether, under the doctrine laid down in *Adamson v. Gilliland*, an appellate court may overrule the finding of the trial judge who has heard and seen the witnesses, where there is no conflict in their testimony, where such testimony is consistent with the trial judge's finding of fact, and where such finding is not clearly wrong.

The doctrine of *Adamson v. Gilliland* is one which is frequently relied upon in patent cases. The courts of the various circuits do not apply it uniformly. Some of the Courts of Appeal have come to substantially disregard the doctrine of that case, but other Courts of Appeal, as for instance in the 9th * and 10th **. Circuits, follow it scrupulously. The importance of clarifying the doctrine of *Adamson v. Gilliland* is emphasized by the fact that a number of

**Stoody Co. v. Mills Alloys, Inc., et al*, 67 Fed. (2d) 807.

***Freiberg v. Pierce*, 83 Fed. (2d) 961; *Independent Oil Well Cementing Co. et al. v. Halliburton et al.*, 54 Fed. (2d) 900.

times * during the last two and current terms of this Court, petitions for writ of certiorari based upon that case have been filed.

III.

The Circuit Court of Appeals for the Sixth Circuit misinterpreted or unduly extended the doctrine of this Court's decision in *Radio Corporation v. Radio Laboratories*, 293 U. S. 1, by refusing to hold that the "clear and cogent evidence", stated to be necessary to overcome the presumption of validity of a patent which had been issued after a contest, was not presented, when it was made to appear (as the Master in the District Court found that it had been) that the *legal basis* for the decisions of the Patent Office and administrative tribunals was shown to be wrong by this Court's subsequent decision in *Permutit v. Graver*; and when it was made to appear by testimony of Respondents' own witness that the *factual basis* for the administrative decision, inherent flexibility of webs in the piston shown in the patent drawing, was insufficient.

The Master and the District Court refused to follow the decisions of the administrative tribunals approving the radical amendments made in the Gulick application because this Court's decision in *Permutit v. Graver* overcame the legal basis upon which those decisions were predicated. Furthermore, by the testimony of Respondents' own witness in this case, the factual basis upon which the administrative decisions were predicated was overcome. The Court of Appeals, nevertheless, considered the Gulick patent's presumption of validity as unmitigated.

* *Lever Bros. Co. v. Colgate Palmolive-Peet et al.*, No. 343 (1937); *D. & M. Machine Works v. Texas Rubber & Specialty Co. et al.*, No. 1023 (1936); *Rubin Condenser Co. et al v. Copeland Refrigeration Corp.*, No. 653 (1936); *The Maytag Co. v. Brooklyn Edison Co., Inc.*, No. 654 (1936); *C. M. Kemp Mfg. Co. v. Wm. F. Hoeltke*, No. 901 (1935); *Rubin Condenser Co. et al v. Aerovox Corp.*, No. 421 (1935).

An important question thus presented is whether a patent's presumption of validity shall prevail where it is shown that the patent issued pursuant to an interpretation of R. S. 4888, subsequently held to be wrong by this Court.

Public Importance.

The pooling of patents has become a prevalent practice. Holding many patents, such a pool may say, as the pool here did, during the life of a given patent that commercial success is attributable to that patent, but after the given patent has *expired*, such a pool may, as was done in this case, attribute commercial success to a different (yet unexpired) patent. This process may be repeated indefinitely. Thus, while commercial success may be a fair symptom of invention in the usual case, the proof of such success in the case of a *pooled* patent should be beyond a reasonable doubt. Improvement will be discouraged and the public will be penalized unless the pooling of patents, and the law with reference to commercial success is limited so as to prevent a patent pool from *misappropriating* to a junior patent, the acclaim, rightly belonging to a senior patent, *after the senior patent has expired*.

The decision of the Circuit Court of Appeals in this case condones not only the pooling of patents, but the practice of radically changing the description in an application for patent so as to cover devices which have appeared on the market since the filing of the application. The situation in this case is even more aggravated than was the situation in the case of *Powers Kennedy Corporation v. Concrete Mixing & Conveying Company*, 282 U. S. 175, when this Court said:

"When this application came into interference with McMichael's, he, of course, became familiar with Leake's claims. It is significant that he then amended his claims, almost in the very words of Leake. This of

itself destroys the patent. *Railway Co. v. Sayles*, 97 U. S. 554; *General Electric Co. v. Sangamo Electric Co.*, 174 Fed. 246; *Lopulco Systems, Inc. v. Bonnot Co.*, 24 F. (2d) 510."

Plainly that doctrine is not limited to an interference situation, but should be regarded as a general pronouncement against radical amendments to patent applications after adverse rights have arisen and without respect to how they arose. Otherwise the tendency will be to retard, rather than "to promote the progress of science and the useful arts." * Industry will fear improvement; patent application maneuvering will have become an instrumentality of blackmail.

The record in this case shows that Respondent has brought at least seven suits against alleged infringers within the Sixth Circuit. The pistons involved in this case are largely used in automobiles. This Court can take judicial notice of the fact that substantially all of the automobiles manufactured in the United States are manufactured within the Sixth Circuit. The Respondent declined an invitation (R. p. 22), to bring suit against Sterling Products Corporation, manufacturer of the piston accused here, in its home jurisdiction, the Eighth Circuit. As long as the decision of the Court of Appeals for the Sixth Circuit stands in this case, Respondent will have practically as much relief as it could have by bringing suits against lesser infringers in other circuits, and it is consequently doubtful that Respondent will permit another Circuit Court of Appeals to adjudicate the patents here in suit. Hence it is doubtful that this case could ever reach this Court on the basis of conflicting decisions between different Circuit Courts of Appeals. In the meantime, a large percentage of automo-

* Constitution Art. I, Sec. 8, Sub. paragraph 8.

bile owners in this country will pay tribute to Respondents' patent pool.

Similar circumstances were pointed out in petitions for rehearing, which resulted in the grant of the writs, in *Paramount Publix Corp. v. American Tri-Ergon Corp.*, 294 U. S. 464, and *Altoona Publix Theatres, Inc. v. American Tri-Ergon Corp.*, 294 U. S. 477.

Prayer.

Wherefore, your Petitioners respectfully pray that writs of certiorari be issued to the Circuit Court of Appeals for the Sixth Circuit to the end that these causes may be reviewed and determined by this Court; that the decrees of the Circuit Court of Appeals for the Sixth Circuit be reversed; and that Petitioners be granted such other and further relief as may be proper.

THE SCHRIEBER-SCHROTH COMPANY,
THE ABERDEEN MOTOR SUPPLY COMPANY,
THE F. E. ROWE SALES COMPANY.

By THOMAS G. HAIGHT,
GEORGE L. WILKINSON,
JOHN H. BRUNINGA,
JOHN H. SUTHERLAND,
Attorneys for Petitioners.

BRIEF IN SUPPORT OF PETITION FOR WRIT OF HABEAS CORPUS

Opinions of Courts Below.

The Report of the Special Master before whom the case was tried, on its merits is found in pages 1092 to 1189 of the Record. The Memorandum Opinion of the District Court overruling Respondents' exceptions to the Report of the Special Master and adopting the Special Master's Findings of Fact and Conclusions of Law as those of the court is found at Record page 1229 and the Decree entered pursuant thereto at Record page 1230.

The Opinion of the Circuit Court of Appeals (Circuit Judges Hicks, Simons and Allen, Judge Simons writing) is reported at 92 F. (2d), page 330 and appears at pages 2381 to 2395 of the record.

Jurisdiction.

The judgment of the Circuit Court of Appeals was entered October 8, 1937 (R. pp. 2379-80).

The statute giving jurisdiction is Section 240-A of the Judicial Code (28 U. S. Code, Sec. 347).

Statement of the Case.

The foregoing Petition contains a summary of the material facts necessary to an understanding of the reasons relied upon for the allowance of the writ as well as a statement of questions involved in the case.

Specification of Errors.

1. That the Circuit Court of Appeals for the Sixth Circuit erred in finding, and holding patentable, a combination including one element not described in the original applications for the Gulick and Maynard patents in suit, and in

refusing to follow this Court's decisions in *Permutit v. Graver*, 284 U. S. 52, and *Powers-Kennedy Corp. v. Concrete M. & C. Co.*, 282 U. S. 175, as interpreted by other Circuit Courts of Appeal.

2. That the Circuit Court of Appeals erred in accepting proof of payment of royalties under a pool of eighty patents, as proof of "commercial success" of the Maynard and Gulick patents, and in rejecting the contrary finding of the Master who heard and saw the witnesses.

3. That the Circuit Court of Appeals erred in holding that the presumption of validity of a patent, however strong, is not overcome when it is shown that the legal basis for an administrative adjudication leading to its issuance had been declared wrong by a subsequent decision of this Court; or when it is admitted that the factual basis for that adjudication was wrong.

4. That the Circuit Court of Appeals erred in reversing and in not affirming the judgment of the District Court holding the patents in suit invalid and, even if valid, not infringed; and in awarding costs to plaintiff-respondent.

ARGUMENT.

I.

The Circuit Court of Appeals, by Refusing to Apply the Doctrine of Permutit v. Graver, 284 U. S. 52 Tacitly Restricted that Doctrine.

R. S. 4888 (35 U. S. Code 33), requires an applicant for patent to file in the Patent Office a written description of his invention

"in such full, clear, concise and exact terms as to enable any person skilled in the art or science to which it appertains or with which it is most nearly connected to make, construct, compound and use the same"

and to

“explain the principle thereof and the best mode in which he has contemplated applying that principle”

as well as to

“particularly point out and distinctly claim the . . . combination which he claims as his invention or discovery.”

In *Permutit v. Graver*, 284 U. S. 52, this Court interpreted that section of the statutes and held that drawings alone, absent description of the one feature, seriously urged as the essential and characterizing feature, was not a compliance with the statute. In that case this Court further held, l.c. 60:

“The statute requires the patentee not only to explain the principle of his apparatus and to describe it in such terms that any person skilled in the art to which it appertains may construct and use it after the expiration of the patent, but also to inform the public during the life of the patent of the limits of the monopoly asserted, so that it may be known which features may be safely used or manufactured without a license and which may not.”

Since this Court's decision in *Permutit v. Graver* the Courts of Appeal in the First, Fifth, Seventh and Eighth Circuits have held patents invalid where they did not describe the element relied upon by the patentee as being the essential and characterizing one. This was done by the courts in *Zenitherm Co. v. Art Marble Co.*, 56 F. (2d) 39, (C. C. A. 5); *Schindler & Co. v. Saladino & Sons, Inc.*, 81 F. (2d) 649 (C. C. A. 1); *Helfrich v. Solo*, 59 F. (2d) 525 (C. C. A. 7); *Anchor Cap & Closure Corp. v. Linhardt*, 56 F. (2d) 542 (C. C. A. 8). In this case, for the first time since the decision of this Court in *Permutit v. Graver*,

supra, a Court of Appeals has held a patent valid and infringed where the novelty upon which the patentee relies was *not described* in the application for the patent as *filed*. Obviously the Court of Appeals in this case did not interpret *Permutit v. Graver* as the Seventh Circuit Court of Appeals did in *Helfrich v. Solo*, 59 F. (2d) 525 (C. C. A. 7), where that Court says:

"Appellant has failed to disclose in his specification or claims the novelty upon which he now relies, and this we think precludes his recovery on any of his claims. *Permutit Co. v. Graver Corporation*, 284 U. S. 52, 52 S. Ct. 53, 76 L. Ed. 163; *White v. Dunbar*, 119 U. S. 47, 7 S. Ct. 72, 30 L. Ed. 303; *Brown v. Stilwell & Bierce Mfg. Co.* (C. C. A.) 57 F. 731."

In the present case the Court of Appeals described the combination of elements which it found to be patentably valid in the Gulick patent as follows (R. p. 2386):

"But to combine insulation of head from skirt, retraction of the bosses from the skirt periphery, connection of such bosses to the skirt with *webs laterally flexible* and yet so carried from the head as to support the load upon the wrist pin with sufficient strength and rigidity, and to utilize the mechanical force of the cylinder wall upon the skirt and the thermal expansion of the bosses so as to compensate evenly and fully for head expansion and to secure a balanced flexibility of the skirt with no bending concentration at any point therein, discloses, we think, a meritorious concept beyond the reach of those skilled in the art."

As pointed out in the Petition, the Gulick application as originally *filed* contained no reference to flexible webs. On the contrary, the Gulick structure was originally described as an "*extremely rigid*" one. Five years after the filing of the application, the description was changed from "rigid" to "*flexible*," upon the representation of Respon-

dent, assumed to be correct by the Patent Office and the administrative courts, that flexibility was inherent in the structure shown in the Gulick drawings. In this case Respondent's expert, however, admitted that flexibility was not inherent in the web structure, but that a piston had to be especially designed in order to accomplish flexibility. While, at the time the question was presented to the tribunals of the Patent Office and the administrative courts, it was the practice of the Patent Office to permit amendments describing a supposed "inherent" mode of operation or characteristic of a structure shown only in the drawings of a patent application, that practice was unqualifiedly overthrown by this Court's decision in *Permutit v. Graver*, *supra*.

Notwithstanding these facts, the Court of Appeals for the Sixth Circuit, pursuant to its disposition to restrict the doctrine of *Permutit v. Graver*, followed the decisions of the Court of Appeals of the District of Columbia, 17 F. (2d) 686, and the Court of Customs and Patent Appeals, 47 F. (2d) 365, 366, 367, without explaining in what respect, the contrary decision of the Master and the District Court was found to be in error.

Similarly, the Court of Appeals, in describing the Maynard patent combination which it found to be patentably valid, said (R. p. 2392):

"Maynard . . . embodies the Gulick combination of skirt insulation, skirt flexibility by means of vertical slotting cooperating with longitudinal slotting, and flexible webs in the region of the wrist pin bosses."

As pointed out in the Petition, there is not in the Maynard patent nor was there ever in the application for the Maynard patent, a suggestion that the webs of the piston, there shown, should be flexible.

The essential character of *web flexibility* and its importance in aluminum pistons is a core of thought which runs through the decision of the Court of Appeals. This reflects the contention of Respondent in the courts below that *web flexibility* was the important thing, and the thing which made the aluminum piston a success.* The Court of Appeals accepted this contention of Respondent, apparently without regard to the fact that this "heart and soul" of the invention was not referred to in the *original applications* for either the Maynard or the Gulick patents.

The decision of the Circuit Court of Appeals, holding the Gulick patent valid, notwithstanding the antithetical amendment five years after filing and more than two years after adverse commercialization, is repugnant to the spirit of this Court's decision in *Powers-Kennedy Corp. v. Concrete M. & C. Co.*, 282 U. S. 175. In that case this Court held invalid a patent, the application for which had been radically amended in language calculated to embrace an interfering process. This Court said, *l. c.* 186—

"This of itself destroys the patent."

So in this case the Gulick patent application was changed from "rigid" to "flexible" to embrace flexible structures which had appeared on the market more than two years before the amendment was made.

If the Patent Office had interpreted the statute (R. S. 4868) as subsequently interpreted by this Court,** Gulick

*That flexibility was the difference between success and failure (R. p. 122).

**In *Potomac v. Greger*, *supra*, this Court was dealing with a patent the drawings of which showed a space. The specification was devoid of description of the function of the space but the patentee relied heavily on it. This Court held: "drawings . . . are of no avail where there is an entire absence of description of the alleged invention or a failure to claim it" *l. c.* 60.

A fortiori, when the description is changed from black to white, rigid to flexible.

could not have changed his description save by filing a new application, against which the statutory two-year-sale-bar would have applied.

The Circuit Court of Appeals decision with respect to the Maynard patent is directly contrary to *Permutit v. Graver*, *supra*. Pursuant to the spirit of *Powers-Kennedy Corp. v. Concrete M. & C. Co.*, *supra*, the doctrine of *Permutit v. Graver* should also have been applied to the Gulick patent.

II.

The Court of Appeals for the Sixth Circuit unduly restricted the doctrine of *Adamson v. Gilliland* when it accredited the Gulick and Maynard Patents with solving the aluminum piston problem without pointing out wherein the Master and the District Court had erred in their finding that "commercial success" of the aluminum piston was due to things other than these patents.

In all of the courts below Respondent contended that the Gulick and Maynard patents should be accredited as having made possible the commercial success of the aluminum piston.* The only evidence offered to this end was evidence of the payment of royalties pursuant to licenses granted piston manufacturers under all of the eighty patents in the pool. This evidence failed to convince the Master that any of the patents in suit were commercially successful. On the contrary he discussed other facts, which he held sufficient to justify his refusal to accredit the patents in suit with commercial success. Among the reasons for his refusal were: the admission of Respondent's expert that, in previous litigation, he had claimed the commercial success of the

*Whatever success may have attended the specific construction like Exhibit 1 was largely attributable to "the strength of the hands into which the patent came" (*Textile Machine Works v. Louis Herck Tex. Mach., Inc.*, decided by this Court Jan. 3, 1938).

aluminum piston to be attributable to the inventions represented by other patents; that the royalties which Respondent had collected throughout the years were attributable more to the broad and pioneer character of the Franquist, and the Spillman & Mooers patents (now expired) than to patents in suit; and that *Respondent had during their lives represented** the Franquist and Spillman & Mooers patents as being responsible for the commercial success of aluminum pistons, and had sued for and recovered judgments under those patents on account of infringement by the identical accused device here in suit. The Master, in his report (R. pp. 1182-3-4), cited decisions of this court and of the various Circuit Courts of Appeals and District Courts to the effect that commercial success is not persuasive on the question of patentability where other things exist which may directly or indirectly have effected it.

More recently, the Court of Appeals for the Seventh Circuit, in *Therm-O-Proof Insulation Co. v. Slayter & Co.*, 80 F. (2d) 557, ruled, as the Master and the District Court ruled in this case, with reference to commercial success under such circumstances. In that case, the Court of Appeals for the Seventh Circuit said:

"It may be that a license is granted in consideration of a cross-license, and the extensive use is in no way attributable to the alleged invention covered by the claim sued on."

The Court of Appeals for the Sixth Circuit, in reaching a contrary conclusion in this case, not only failed to give the proper force and effect to the findings of the Master

*The Master held (R. p. 1122-4) Respondent estopped to deny the utility of and effectiveness of those patents, as Respondent attempted to do upon the trial. The Master relied upon *Dalton Adding Mach. Co. v. Rockford Milling Co.*, 253 Fed. 187 (D. C. Ill.) and *Rice-Stir D. G. Co. v. Striven Co.*, 165 Fed. 639 (C. C. A. 8).

and the District Court, but, in effect, countenanced the pooling of patents and the practice of thereby perpetuating a monopoly by condoning the practice* of Respondent to claim commercial success and achievement for one patent *as long as it lasts*, but when it expires to claim it for *another*. It accepted proof of royalty payments as establishing "commercial success" of two of the eighty pooled patents but rejected the same proof as to another of the pooled patents (Franquist, now expired) saying (R. p. 2387) "of commercial history it has none upon this record."

III.

The Circuit Court of Appeals refused to hold that a decision of this Court, abolishing the legal basis for the grant of the Gulick patent, was "clear and cogent evidence" sufficient to overthrow its presumption of validity.

In *Radio Corp. v. Radio Laboratories*, 293 U. S. 1, this Court was dealing with a patent which had issued after a protracted interference contest in the Patent Office and the Courts. This Court there said that such a patent had a presumption of validity "not to be overthrown except by clear and cogent evidence." (293 U. S. 2.)

In this case the Circuit Court of Appeals, in considering the issue of Gulick's right to change his description from "rigid" to "flexible," followed the decisions of the Patent Office and the administrative courts on that issue. The Master and the District Court had held that the administrative

*The Master said: "Defendants urge that since plaintiff has used the Franquist patent as a basis for this trustee to keep licensees in the fold, and is disowned as it expires, that thereby arises an equitable estoppel. Having abandoned the expired patent, the plaintiff now seeks to perpetuate its monopoly, relying upon another, the newly issued Gulick patent. Defendants urge that if there is no estoppel, 'ben a third patent might issue after the fourteen years had elapsed, replace Gulick, and the monopoly thus be perpetuated indefinitely." (R. p. 1122-3.)

decisions were based upon premises, both legal and factual, which Petitioners had shown to be false.

The legal basis for the administrative decisions was abolished by this Court's subsequent decision in *Permutit v. Grover*, 284 U. S. 52. That alone,* we submit, was enough to overthrow the presumption of validity.

Is such "clear and cogent evidence" provided by a decision of this Court showing the legal basis for the grant of a patent to have been wrong? Is a decision of this Court *less forceful*, in overthrowing a patent's presumption of validity, than "evidence" (in the usual sense)? The Circuit Court of Appeals has tacitly held that it was.

Conclusion.

From the foregoing, we submit, it appears that the Circuit Court of Appeals for the Sixth Circuit has misinterpreted, misapplied and refused to follow the decisions of this Court; and that questions of policy and abuse of the Patent Laws are presented, which are important not only to these Petitioners, but to the public, inventors, and industry at large.

Wherefore your petitioners pray that their petition be granted, that the writs of certiorari be issued and the causes reviewed, and the decrees of the Court of Appeals reversed.

Respectfully submitted,

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January 7, 1938.

*The admissions of Respondent's expert, discussed hereinbefore, also nullified the factual basis for those decisions.

